



WOODBIDGE TRUST

**Woodbridge Trust
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
for the period from 25 August 2018 to 31 August
2019**

**Company Registration Number:
11538176 (England and Wales)**

Woodbridge Trust Academy Trust

Contents

Item	Page
Reference and Administrative Details	2
Trustees' Report	3
Governance Statement	11
Statement on Regularity, Propriety and Compliance	14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report on the Financial Statements	16
Independent Reporting Accountant's Report on Regularity	19
Statement of Financial Activities incorporating Income & Expenditure Account	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	24
Other Notes to the Financial Statements	29

Woodbridge Trust

Reference and Administrative Details

Members

Mrs Heather Scott
Mrs Ashley Mason
Mrs Lindsay Bradbury

Trustees

Mrs Heather Scott (Chair of Trustees)
Mrs Jennifer Jackson
Ms Janet Woods
Mr Richard Ikin
Dr Pip Hoyes
Mrs Ann Nelson
Dr Tony Birch
Ms Elizabeth Newman
Dr Becky Cowling (resigned 16/10/2019)
Ms Charlotte Caden (resigned 20/9/2019)

Senior Management Team:

- Chief Executive Officer and Accounting Officer
- Director of School Improvement
- Chief Finance Officer

Sally McFarlane
Debbie Coburn
Jennifer Moore

Company Name

Principal and Registered Office

Woodbridge Trust
Ladywood School
Masefield Road
Little Lever
Bolton
BL3 1NG

Company Registration Number

11538176

Independent Auditor

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Bankers

Lloyds Bank PLC
Hotel Street
Bolton
BL1 1DB

Solicitors

Browne Jacobson
14th Floor
No.1 Spinningfields
1 Hardman Square
Manchester
M3 3EB

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 25 August 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust currently operates 2 special schools. One is primary (ages 4-11 years) and the other is secondary (ages 11 to 19 years). The total number of pupils in these schools is 270. However it should be noted that the pupil numbers in both these schools is expected to rise to over 300 in September 2020.

In addition the Trust also operates a SEND Outreach service which provides support to all schools in the Borough of Bolton. The current caseload for this service is approx. 1000 pupils (aged 2 – 19 years). This service is commissioned by the Local Authority on a Service Level agreement.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust as incorporated on 25 August 2018. There was no trading activity until the official formation of the academy trust by the Department for Education on 1 October 2018. The trustees of the Woodbridge Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Woodbridge Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

There are no third party indemnity provisions

Method of Recruitment and Appointment or Election of Trustees

The company Articles of Association provide that Foundation Members will appoint no fewer than 5 trustees (Article 50), however they are not to be subject to any maximum. Trustees are appointed for a term of 4 years and subject to remaining eligible to be a particular type of trustee any Trustee may be re-appointed or re-elected at a general meeting.

The Articles allow parent trustee representation and the structure of Woodbridge Trust is such that each school in the academy operates with a local school advisory committees.

Practically when seeking new appointments, trustees are assessed initially by invitation, dependent on their expertise, experience and skills, prior to a process of recruitment and appointment in which rigorous interview selection, collection of references and checks through the DBS system are all collated.

Policies and Procedures Adopted for the Induction and training of Trustees

New trustees are interviewed and selected for the board to maintain robust governance and oversight throughout the trust. On all occasions, trustees are fully inducted into the business of the trust to provide a clear understanding of their role and responsibilities as a trustee along with the understanding of detailed policies and procedures underpinning the Trusts governance arrangements. Trustees are provided with appropriate training opportunities and regular skills audits are undertaken to ensure a breadth and balance of expertise is available to the Board.

Organisational Structure

The trustees are responsible for setting general policy, the strategic direction and the growth of the Trust, adopting an annual plan and budget, monitoring the trust and its schools by the use of financial management and other performance information, making appointments to the Executive Management Team and presenting the Annual report and Financial Statements for approval by the Members.

The Chief Executive Officer (CEO) is the Accounting Officer. Operational management of the Trust is delegated to the Executive Management Team (EMT). The EMT consists of the CEO, Finance Director and Director of School

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

Improvement. These managers control the Trust and Schools / Service at an executive level implementing the policies laid down by the Trustees and reporting to them. The EMT further delegates responsibilities to the Senior Leadership team of each School / Service.

The SLT as appropriate to each school / Service, consists of the Head of School, Deputy Head teacher, and Assistant Head teachers. The SLT is responsible for the authorisation of spending within delegated and agreed budgets including the appointment of staff.

Appointments to the EMT will always be made by a board of Trustees. Some spending control is delegated to individual members of the EMT within agreed limits as specified in the Scheme of Delegation.

The leadership and management of the Schools / Service is carried out by the EMT, the SLT at each school /Service, middle leaders and business support managers. These leaders are responsible for the operational business and principal activities of the Schools / Service in the Trust, in particular organising staff, facilities and pupils.

The Trustees meet at least 4 times a year. School advisory committees and committees of the trust meet at least on a termly basis. Trustees make regular visits to schools and Service they attend events and functions and are seen as key advocates of the work of the Trust. Trustees are represented on the School Advisory Committees alongside the wider representation these committees include.

The Scheme of Delegation clearly sets out and defines the responsibilities of Members, Trustees, School Advisory Committees and Senior Leaders.

Arrangements setting pay and remuneration of key management personnel

The remuneration of the EMT, Heads of School and other Senior Leadership team members of each school / Service is set in accordance with the trust Pay policy and the DfE pay and conditions documents for teachers and leaders. Thorough, rigorous performance management of the executive and senior leadership personnel takes place on an annual basis. The Trust Pay Committee for the EMT, Heads of School and other senior leaders reviews recommendations for their pay progression and other remuneration (if appropriate). The Trust Pay committee consists 3 members of the Trust Finance and Resources Committee.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017 the Woodbridge Trust is obliged, as an employer of sufficient size, to report information included in Schedule 2 of the Regulations in relation to

- Number of FTE employees who were relevant union officials under the definition
- Percentage time spent by relevant union officials spent on union facilities time
- Percentage of paybill spent on union facilities time
- Time spent on trade union activities as a percentage of total paid facility time hours.

The Trust did not employ any union officials engaged in trade union facilities time during the period ending 31st August 2019 and as such incurred no costs associated with the Trade Union Facility time for union officials employed in local authority area within which the trust operates. The trust is committed to working positively with the unions that represent the trust employees namely NAHT, ASCL, NEU, NASUWT, and Unison.

Related Parties and other Connected Charities and Organisations

Woodbridge Trust requires trustees and others with a governing responsibility to complete a full disclosure of interests and other posts held. Individuals are requested annually, to review and update their interests in the registers.

The individual members and trustees hold a variety of business interests, directorships and trusteeships in their organisations including other educational establishments. A full list of related party connections of the individuals can be found on the Woodbridge Trust website.

Heather Scott a member and chair of trustees is also a director of Woodbridge College, a post 19 establishment for young adults with special educational needs, along with Sally McFarlane (CEO) and Jennifer Moore (Finance Director).

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

Objectives and Activities

Objects and Aims

The principal objective and activity of the charitable company is the operation of schools and Outreach Service to provide high quality education for pupils aged 2 – 19 years with a range of special educational needs. The trusts mission is to provide high quality education for students from 4 – 19 years of age with complex, severe or profound learning difficulties and, or autistic spectrum disorder. We aspire for all our students to make as much progress as possible, our overarching vision is inspiring future success for all.

The main objectives of the Trust during the period ending 31st August 2019 are summarised below. This has been the first year of operation for Woodbridge Trust and trustees are pleased to report that all of these objectives have been achieved.

- To establish Woodbridge Trust, to be an effective organisation that is well organised, efficient, compliant and keeps pupils at the heart of all activities of the trust
- To develop and maintain a strong system of governance to ensure that the trust achieves its aims and thrives as a charitable organisation with pupils at the heart of all its activities
- To develop the trusts' approach to risk management and embed a cycle of risk review and reporting
- To establish both the Central Team and the wider Academy Leadership Team as strong, coherent, strategic teams that steer the direction of the trust on the ground.
- To develop a sense of ownership and unity for Woodbridge Trust that is felt by all stakeholders
- To maintain the excellent relationships with all key partners who enable our work with our pupils such as health services, social care services, Local Authority, charitable organisations etc.
- To work with Bolton LA to address the issues of capacity for both Ladywood and Firwood Schools to enable additional pupils to attend our schools and avoid the need for out of authority placement.
- To develop a traded element to Ladywood Outreach Service to address the reduction in funding from April 2019. This will include developing an offer of additional services that can be purchased by schools in addition to the core service that they will continue to receive.
- To work with Bolton LA and other local special schools on the development of the new formula for funding special schools to ensure that the SEND top up funding is linked to a fair, transparent system of assessment of pupils needs
- To develop Woodbridge College (related party) to provide high quality, meaningful provision for our students when they leave us at the end of Year 14. To provide opportunities for the further development of independence, life skills and work related opportunities (where appropriate)

Public Benefit

The trustees confirm that they have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the charity Commission for England and Wales. The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the trusts objectives in planning future activities for the year. The trust ensures that the schools / service continue to be at the heart of the community, promoting community cohesion and sharing facilities with other schools and the community (as appropriate)

Strategic Report

Achievement and Performance

The trust has numerous ways of measuring achievement and performance, including financial and non-financial indicators. The trust also undertakes self-evaluation in key areas on an ongoing process and this year has appointed a Director of School improvement to ensure that all areas of the trust are fulfilling the mission in achieving the best possible outcomes for all students. As well as utilising services within the trust, external experts are also engaged to provide scrutiny and review in areas such as School Improvement, Responsible Officer work and Health and Safety to name a few.

Ladywood and Firwood Schools are both popular and significantly oversubscribed. The pupil numbers in both schools have risen from September 2019 and are predicted to increase even more from 2020. Overall numbers currently stand

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

at 156 Ladywood and 153 Firwood. There is an expectation that these figures will rise to approx. 170 in both schools from September 2020.

Feedback from all stakeholders, particularly parents is very positive and pupils report that they are both happy and safe at school.

Since conversion there has been no Ofsted inspections. Currently Ladywood School is judged Outstanding (January 2016) Firwood is judged Good (January 2018)

Attendance is very closely monitored and for the year 2018/19 was 93.3% Ladywood and 90.3% Firwood. A number of pupils have very complex medical needs which impacts attendance but the overall figures are very positive in line with special schools nationally.

The Outreach service has a growing caseload and in Oct 2019 it stands at over 1000 pupils across all Bolton Schools. The traded element of the service is also increasing and this new aspect to the outreach work is being very well received by the schools purchasing additional services, training and support. The service is also developing a regional profile with services now being offered to several other local authorities and to the independent school sector. Feedback for all outreach services is consistently good or excellent.

Pupil achievement in both schools is rigorously monitored and evaluated. There are robust target setting, monitoring and assessment processes in place which focus on individual pupils needs. At the core of the drive for individual pupil achievement is the culture of high aspirations for all our pupils to achieve the very best they can with a strong focus on preparation for future life. Data is analysed forensically so that next steps in learning can be identified for each pupil.

The capturing of data which reflects progress in non-academic subjects is also crucial for our pupils. We particularly focus on PSHE, independence and the acquisition of life skills.

The nature of our pupil needs means that typical attainment at the end of Key stages and in GCSE examinations is not appropriate. However, we benchmark our achievements against other special schools, our own historical data and external accreditations that are suitable for pupils to access.

Pupil achievement (based on P Levels and age related expectations) can be demonstrated in the following figures;

Ladywood

89% made expected or exceeded expected progress in English

80% made expected or exceeded expected progress in Maths

Firwood

55% made expected or exceeded expected progress in English

56% made expected or exceeded expected progress in Maths

There is appropriately a greater focus at Firwood on external accreditations and in summer 2019 achieved;

ASDAN diploma had a 100% pass rate.

7 pupils achieved the D of E Bronze award

Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policy

Financial Review

Most of the Trust's income is derived from two separate sources. Firstly in the form of the recurrent grants, predominantly based on pupil numbers, from the Education and Skills Funding Agency (ESFA), the use of these grants is restricted to particular purposes. Secondly in the form of High Needs top up funding from the Local Authority (Bolton Council), which is specific to the individual needs of the students on role at any given time. The grants and high needs funding received

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

in the period from 25 August 2018 to 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The trust also received grants for the provision of Ladywood Teaching School as well as additional high needs funding from the Local Authority for the provision of the Outreach service to mainstream Bolton schools and nurseries.

During the period ended 31 August 2019, total expenditure of £6,773k was incurred (which excludes depreciation of £15k and FRS 102 service and interest costs of £467k), which was more than covered by the recurrent grant funding from the ESFA together with other incoming resources which totalled £7,160k. This included £223k of non-recurrent school budget surplus and other funds which were transferred from the Local Authority upon conversion to academy status. Total restricted funds carried forward amounted to nil.

Unrestricted income in the period ended 31 August 2019 amounted to £392k (inclusive of non-recurrent school budget surplus and other funds which were transferred on conversion). Unrestricted expenditure for the period amounted to £85k. A transfer from the unrestricted fund totalling £43k in relation to sickness insurance income, to offset against the additional supply costs. Total unrestricted funds carried forward amount to £265k.

At 31 August 2019 the net book value of assets amounted to £98,374. The Trust are currently awaiting the finalisation of the Lease agreements with the Local Authority, once this has been sourced formal valuation will be sought. Movements in fixed assets are shown in note 13 to the financial statements. The cost of fixed asset additions in the period ended 31 August 2019 amounted to £30k.

Under accounting standard FRS 102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for non-teaching staff, to the restricted fund. This resulted in the pension fund showing a deficit of £4,167k, which has been carried forward.

Reserves policy

Unrestricted Reserves

Woodbridge Trust's unrestricted reserves are derived from income funds, grants or donations that can be spent at the discretion of the trustees in furtherance of any of the trusts objectives.

If part of an unrestricted income fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the trustee's discretion to spend the fund. Unrestricted reserves will be achieved through operational efficiencies and any trading activities undertaken by the trust.

Restricted Reserves

Woodbridge Trust's restricted reserves may be restricted income funds, grants or donations that are spent at the discretion of the trustees in furtherance of some particular aspects of the objects of the multi academy trust; or where the nature of expenditure has been defined by the donor; or they may be endowment funds, where the funds or assets are required to be invested or retained for actual use, rather than spent.

Restricted reserves are only available for expenditure once the Trust has met its commitments and other planned expenditure and is in accordance with the limitations outlined in the original funding.

Pension Reserve

The risks surrounding the trust's pension liability are taken into consideration when calculating other reserves. The presence of a pension surplus or deficit does not constitute an immediate liability (or realisable asset) and does not mean that the equivalent amount is already committed and no longer available to the trust.

The presence of a pension surplus or deficit will generally result in a cash flow effect for the trust in the form of an increase or decrease in employers' pension contributions over a period of years.

The trust continues to calculate its reserves without setting aside a designated reserve to cover the pension liability.

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

Investment Policy

Woodbridge Trust holds cash balances and thereby must make investment decisions. The trust must manage the need for working capital against tying up funds in long term options. The investment objective of the trust is to provide income to the trust to help maintain its operational effectiveness in the short term. However, a total return approach will take precedence, allowing the trust to focus on investments providing optimal performance in terms of overall return rather than investments which would provide the right balance of capital and income return. The protection of present and future beneficiaries will be key responsibility of the trust.

Principal Risks and Uncertainties

The principal risks to the trust are documented and managed using a risk management policy and risk register which is regularly reviewed. The process of risk and assurance has been developed during the year with a defined cycle embedded across the trust. This allows the Board to be constantly aware of the key strategic risks which affect the trust.

The trust has carried out a careful review of the risks and uncertainties it faces in the coming year. In summary these are viewed to be

- Managing the increasing demand for places at both Ladywood and Firwood Schools.
- Developing the traded element of Ladywood Outreach Service which is reliant on the purchase of additional services by schools in a time of cuts to school budgets.
- Securing appropriate additional provision for Ladywood School in partnership with Bolton LA. Clear strategic planning for the long term future of the temporary off site provision will need to be carefully planned for and managed
- Securing the funding from the local authority for the extension to the Firwood building to enable appropriate long term expansion of the school to approx. 200 pupils
- Downgrading of the OFSTED judgements on either Ladywood or Firwood Schools. Ensuring that the schools are prepared for the changes to the new OFSTED framework from September 2019.
- Maintaining constant vigilance to ensure the health, safety and wellbeing of all pupils
- Ensuring that appropriate medical staff are available to support pupils, particularly at Firwood where there are a number of pupils with highly complex medical needs.
- Budgetary pressures brought about by reduced pupil funding , particularly in the high needs funding provided by the local authority
- Increased staffing costs due to pension and inflationary rises
- The proposed changes to the Teaching School funding arrangements which will impact Ladywood School
- Erosion of reserves to balance school and service budgets in the short term
- Recruitment and retention of high quality staff able to meet the complex needs of our pupils
- Succession planning within the trust governance and executive leadership

Key controls in place to mitigate these risks are

- School and Service Improvement Plans including detailed curriculum review
- Detailed , regular analysis of pupil achievement data
- Robust self-evaluation processes across the schools and service
- Monitoring of safeguarding, wellbeing and pupil safety on a regular basis and by a range of different people including EMT, SLT and trustees.
- Frequent review of medical provision at Firwood and close relationship with health service providers
- Clear organisational structure for the trust supported by clear policies which steer the work of the trust.
- The development of new initiatives and wider geographical reach relating to both Teaching School and Outreach Traded Services to increase and sustain income.
- Financial planning , multiyear budgeting and regular financial reporting to the Audit Committee and Board of Trustees highlighting areas of potential financial risk
- Effective internal control systems that are regularly tested and monitored
- Comprehensive internal audit procedures to cover business reviews and routine health checks

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

- Audit committee scrutiny and challenge
- Further development of the HR policy and the development of a People Plan for the Trust to ensure succession planning, talent spotting, recruitment and retention of staff and leadership development is as effective as it can be.
- Maintain a close and robust relationship with the Local Authority to enable appropriate, long term solutions to be found to address the demand for pupil places at both Ladywood and Firwood Schools.

Plans for Future Periods

- To review the opportunities for expansion of our academies to meet local and increasing need
- Work closely with Bolton LA in addressing the increasing school place demand across all age ranges and explore opportunities for growth with a view to addressing the accommodation pressures across the trust
- Consider how the trust may use the Free School Programme as a solution to local demand
- To establish Ladywood's Early Years provision at Little Ladywood by October 2019
- To implement the Firwood expansion programme in partnership with the LA to provide 6 additional teaching spaces by September 2020
- To ensure that all schools / service achieve an OFSTED judgement of at least good in future inspections
- To prepare a rigorous due diligence procedure in the event another school or the RSC approaching the trust in our capacity as a sponsor
- To be watchful of the political landscape especially with regards to... for example
 - New OFSTED Framework
 - High Needs funding
 - Teaching School Status
- To evaluate the effectiveness of the Outreach SLA with Bolton Council with particular regard to the implementation of traded services
- Monitor the Outreach traded income both in Bolton and neighbouring authorities
- To keep under review the executive leadership team structure and composition to ensure sufficient capacity to meet growth demands and is entirely robust across the trust. Succession planning
- To continue to strengthen governance across the trust via a regular skills audit and recruitment of high quality trustees and governors that meet our identified skills gaps
- To develop a cross trust structure for the gathering and processing of assessment data and the reporting of intrinsic and extrinsic data.
- To develop a trust wide system where data is interrogated and the findings are actioned
- To develop a trust wide system to measure the impact of the actions taken
- To consistently implement the 8 strands of the Woodbridge Trust School Improvement Strategy to ensure the highest quality educational provision for all
- To implement the newly developed Woodbridge Career Framework to embed a culture of continuous learning for all staff and trustees
- Ensure that those responsible for governance are fully aware of the current issues in education that impact the activity of the Trust
- To develop a system of acknowledgment and celebration of success for all stakeholders within our trust
- To begin conversations regarding the development of collaborative opportunities and a peer review system with a neighbouring MAT
- To ensure the current Keeping Children Safe in Education Policy is implemented consistently in our practice
- To continuously monitor the financial health of the trust
- To further the drive for greater efficiencies and economies of scale.
- To evaluate and modify our risk management documents and procedures to ensure they are current and robust.
- To consider ways in which the Trust can directly procure a wider range of therapy services to increase the range and quality of provision we offer.

Woodbridge Trust

Trustees' Report for the period from 25 August 2018 to 31 August 2019 (continued)

Employee consultation and disabled employees

Woodbridge Trust is proud to be an Equal Opportunity employer. We give full and fair consideration to the applications for employment made by disabled persons, having regard to their particular aptitude and abilities. The trust is responsive to changes to an employee's individual circumstances through becoming disabled which includes making appropriate adjustments to working conditions. All employees of the trust including those with a disability can expect to be afforded development and career progression that befits their skills and expertise.

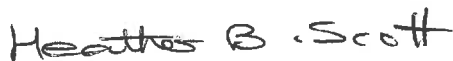
The trust acknowledges the trade unions that represent its employees and seeks to consult appropriately on all matters affecting employment by the Trust

Auditor

In so far as the trustees are aware

- There is no relevant audit information of which the charitable company's auditor is aware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2019 and signed on the board's behalf by:



Heather Scott
Chair of Trustees



Ann Nelson
Trustee

Woodbridge Trust

Governance Statement

Scope of Responsibility

As trustees we acknowledge our overall responsibility for ensuring that Woodbridge Trust has an effective and appropriate system of control covering all aspects of the Trust's business activities. Such systems are designed to manage and mitigate rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and that these are in accordance with the requirements and responsibilities assigned to it in the funding agreements between Woodbridge Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board any material weakness or breakdowns in internal control.

Trustees are well trained and are committed to attending training that enhances understanding of their responsibilities and legal function. This equips them with the knowledge to provide both challenge and support for the Senior Leadership Teams at all of the academies in the Trust. The Scheme of Delegation balances the need for control with empowering Academy and senior leaders to be accountable for the performance of the academy / area they manage.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board has formally met 3 times during the period ending 31 August 2019. Attendance during the year at meetings of the board of trustees was as follows:

Trustee / Member	Meetings Attended	Out of a possible
Heather Scott (Chair of Trustees / Member)	3	3
Lindsay Bradbury (Member)	3	3
Ashley Mason (Member)	2	3
Dr Tony Birch	3	3
Dr Becky Cowling	2	3
Dr Pip Hoyes	3	3
Richard Ikin	3	3
Jennifer Jackson	3	3
Ann Nelson	2	3
Janet Woods	2	3
Elizabeth Newman	0	3
Charlotte Caden	0	3

The Board is supported by a Governance Support Officer, who also provides advice and guidance. The size, structure and composition of the Board and Committees is constantly reviewed to ensure that the governance remains robust and challenging.

The board oversees all trust activities from Pupil attainment, progress and attendance to financial management, viability and stability of the Trust, the future growth of the Trust, along with key personnel appointments.

The board has agreed a scheme of delegation in order that decision making is devolved to the desired operational or strategic level.

The Audit Committee is a sub-committee of the Board of Trustees. The main purpose of the Committee is to advise the Board of Trustees on the Trust's assurance framework in line with the Academies Financial Handbook, Articles of Association and Funding Agreements, supporting the Board in fulfilling its responsibilities with regard to financial and business risk management together with the wider internal control framework of the Trust. Meetings of the Committee will be held at least 3 times during the year, however due to the conversion to Academy status in October the committee has only met twice this year. The work of the committee continues to develop, focused by clear terms of reference, providing resilience to the Boards reporting mechanisms.

Woodbridge Trust Governance Statement (continued)

Attendance at meetings during the period ended 31 August 2019 was as follows:

Trustee	Meetings Attended	Out of a Possible
Dr Becky Cowling	2	2
Dr Pip Hoyes (Chair)	2	2
Janet Woods	1	2
Dr Tony Birch	1	2
Ashley Mason	1	2

The Finance, HR and Premises Committee is a sub-committee of the main board of trustees. The Committee is responsible to the Board of Trustees for Financial, HR and Health and Safety matters, this includes but is not limited to the reviewing the budgets, reviewing of policies relating to these areas, pay review, grievances, disciplinary, ensuring submission of key returns by the CFO to the ESFA/DFE. The committee deal with other financial or audit matters as may from time to time be referred to the committee for consideration.

Attendance at meetings during the prior 1 October 2018 to 31 August 2019 is as follows:

Trustee	Meetings Attended	Out of a Possible
Lindsay Bradbury	1	2
Ann Nelson	1	2
Richard Ikin (Chair)	1	2
Jennifer Jackson	2	2
Heather Scott	2	2

Review of Value for Money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the academy trust delivers good value for money in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources have provided good value for money during each academic year and reports to the board of trustees where value for money can be improved. The accounting officer for the trust has delivered improved value for money during the year by;

- Investing in a robust financial accounting system capable of dealing with the demands and complexities of trust accounting, which has reduced processing and manipulation time of the financials increasing efficiencies.
- Growing the multi academy trust to achieve financial opportunities, in particular in the case of Ladywood Outreach
- Conducted a review of Other Income sources both for educational resources and afterschool lettings
- Whole scale review of all cost centres and contracts and retendering where appropriate.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Woodbridge Trust for the period 1 October 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has

Woodbridge Trust Governance Statement (continued)

been in place for the period 1 October 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the board of Trustees.

The Risk and Control Framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes;

- Establishment of an effective and consistent assurance framework for all committees
- Comprehensive budget and monitoring systems with an annual budget and monthly periodic financial reports which are reviewed by the Board of Trustees
- Regular review by the Board, Audit committee and Finance, HR and Premises committee of reports which indicate financial performance against forecasts.
- Creating a consistency of approach in key systems and processes across the Trust to mitigate risk of local variance
- Clearly defined purchasing guidelines
- Delegation of authority and segregation of duties
- Internal audit reviews of business processes and risk areas undertaken by Hallidays. This covered the following area;
 - Testing Income sources and recording
 - Petty Cash and Expenses
 - Review of the Financial Procedures Manual

Any issues identified have been allocated a timescale for completion and will be reviewed by the Audit committee and the Board of Trustees.

Review of Effectiveness

As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the systems of internal control. During the year, the review has been informed by:

- the work of the Audit Committee
- the work of the external auditor
- the financial management process
- the work of executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the results of their review of the system of internal control by the Audit Committee and a plan to address minor weaknesses and ensure continuous improvement of systems is in place.

Approved by order of the members of the Board of Trustees on 17 December 2019 and signed on its behalf by:



Heather Scott
Chair of Trustees



Sally McFarlane
Chief Executive Officer and Accounting Officer

Woodbridge Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of Woodbridge Trust, I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



Sally McFarlane
Accounting Officer

17 December 2019

Woodbridge Trust

Statement of Trustees' Responsibilities

The Trustees, who are responsible for governance of Woodbridge Trust, are directors of the charitable company for the purposes of company law. They are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 17 December 2019 and signed on its behalf by:



Heather Scott
Chair of Trustees

Woodbridge Trust

Independent Auditor's Report on the Financial Statements to the Members of Woodbridge Trust

Qualified Opinion

We have audited the financial statements of Woodbridge Trust (the 'Academy') for the period from 25 August 2018 to 31 August 2019, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis for qualified opinion on financial statements

As detailed in note 12 the land and buildings of Firwood High School and Ladywood School transferred on conversion have not been included in the financial statements. The Trust is awaiting a formal lease agreement with the local authority and once this lease is in place, the Trustees will contract for desktop valuations to be provided in line with the recommendations of the academies accounts direction. This will not be available until 2020. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the land and buildings transferred on conversion and the associated depreciation charge.

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Qualified opinion on the financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its results for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- Have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

Woodbridge Trust

Independent Auditor's Report on the Financial Statements to the Members of Woodbridge Trust (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 23], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.

Woodbridge Trust

Independent Auditor's Report on the Financial Statements to the Members of Woodbridge Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
King's Reach Business Park
Yew Street
Stockport
SK4 2HD
Date: 17-12-19

Woodbridge Trust

Independent Reporting Accountant's Report on Regularity to Woodbridge Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 3 April 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woodbridge Trust during the period 25 August 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Woodbridge Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Woodbridge Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Woodbridge Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees' funding agreement with the Secretary of State for Education dated 28 September 2018 and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 25 August 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.

Woodbridge Trust

Independent Reporting Accountant's Report on Regularity to Woodbridge Trust and the Education & Skills Funding Agency (continued)

- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 25 August 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hallidays
Chartered Accountants
and
Registered Auditors

Riverside House
King's Reach Business Park
Yew Street
Stockport
SK4 2HD
Date: 17.12.19

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Woodbridge Trust

Statement of Financial Activities for the period 25 August 2018 to 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Pension Funds	Restricted Fixed Asset Funds	Total 2018/2019
Income and endowments from:						
Donations and capital grants	2	36,160	16,006		80,126	132,292
Transfer from local authority on conversion		66,138	155,654	(1,975,000)	82,762	(1,670,446)
Charitable activities:						
Funding for the academy trust's educational operations	3	-	6,333,953		-	6,333,953
Other trading activities	4	181,886	216,451		-	398,337
Teaching School	26	108,045	46,000		-	154,045
Investments	5	202	-			202
Total		392,431	6,768,064	(1,975,000)	162,888	5,348,383
Expenditure on:						
Charitable activities:						
Academy trust educational operations	7	8,223	6,765,264	467,000	14,523	7,255,010
Teaching School	26	76,292	46,000		-	122,292
Total		84,515	6,811,264	467,000	14,523	7,377,302
Net income / (expenditure)		307,916	(43,200)	(2,442,000)	148,365	(2,028,919)
Transfers between funds		(43,200)	43,200		-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	24	-		(1,725,000)	-	(1,725,000)
Net movement in funds		264,716	(0)	(4,167,000)	148,365	(3,753,919)
Reconciliation of funds						
Total funds brought forward						-
Total funds carried forward		264,716	(0)	(4,167,000)	148,365	(3,753,919)

Woodbridge Trust

Balance Sheet as at 31 August 2019

Company Number 11538176

	Notes	31-Aug-19 £	31-Aug-19 £
Fixed assets			
Tangible assets	12		98,374
Current assets			
Debtors	13	251,070	
Cash at bank and in hand		<u>862,183</u>	
		1,113,253	
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(773,906)</u>	
Net current assets			<u>339,347</u>
Total assets less current liabilities			437,721
Creditors: Amounts falling due after more than one year	15		<u>(24,640)</u>
Net assets excluding pension liability			<u>413,081</u>
Defined benefit pension scheme liability	30		<u>(4,167,000)</u>
Total assets			<u>(3,753,919)</u>
Funds of the academy trust:			
Restricted funds			
. Fixed asset fund	16	148,365	
. Restricted income fund	16	-	
. Pension reserve	16	<u>(4,167,000)</u>	
Total restricted funds			(4,018,635)
Unrestricted income funds	16		<u>264,716</u>
Total funds			<u>(3,753,919)</u>

The financial statements on pages 21 to 48 were approved by the trustees, and authorised for issue on 17 December 2019 and are signed on their behalf by:

Heather B Scott

Heather Scott

Chair of Trustees

Ann Nelson

Ann Nelson

Trustee

Woodbridge Trust

Statement of Cash Flows for the period ended 31 August 2019

	Notes	2019 £000
Cash flows from operating activities		
Net cash used in operating activities	19	590,198
Cash transferred on conversion to an academy trust		221,792
Cash flows from investing activities	20	50,193
Change in cash and cash equivalents in the reporting period		<u>862,183</u>
Cash and cash equivalents at 1 October 2018		-
Cash and cash equivalents at the 31 August 2019	21	<u>862,183</u>

Woodbridge Trust

Notes to the Financial Statements for the period from 25 August 2018 to 31 August 2019

1 Statement of Accounting Policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2018 to 2019 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Academy Trust meets the definition of a public benefit entity under FRS 102

Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the schools for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on the basis as set out below.

The assets and liabilities transferred on conversion from an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted, restricted general funds and restricted fixed asset funds. Further details of the transactions are set out in the notes.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Woodbridge Trust

Notes to the Financial Statements for the period from 25 August 2018 to 31 August 2019

1 Accounting policies (continued)

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship Income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other Income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Woodbridge Trust

Notes to the Financial Statements for the period from 25 August 2018 to 31 August 2019

1 Accounting policies (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on Raising Funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

● Charitable Activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT

Tangible Fixed Assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land and buildings	50 - 125 years
Plant and Machinery	10 - 15 years
Furniture and equipment	5 - 10 years
Computer equipment	3 - 5 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Woodbridge Trust

Notes to the Financial Statements for the period from 25 August 2018 to 31 August 2019

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is no obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Woodbridge Trust

Notes to the Financial Statements for the period from 25 August 2018 to 31 August 2019

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education & Skills Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The transfer value on conversion to academy of leasehold land and buildings is not reflected in the financial statements as we are still awaiting the agreement of final leases with the Local Authority. The Trustees have commissioned a desktop valuation of the assets in line with the financial handbook guidance once all leases have been finalised. The valuation will be reflected in the 2019/2020 financial statements.

Woodbridge Trust
Notes to the Financial Statements for the period ended 31
August 2019 (continued)

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2018/2019 £
Educational trips and visits	3,126	3,657	6,783
Capital Grants	-	80,126	80,126
Donations	33,034	12,349	45,383
	<u>36,160</u>	<u>96,132</u>	<u>132,292</u>

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2018/2019 £
DfE / EFA grants			
. General Annual Grant (GAG)	-	2,415,150	2,415,150
. Start Up Grants	-	50,000	50,000
. Other DfE/EFA grants	-	107,376	107,376
	<u>-</u>	<u>2,572,526</u>	<u>2,572,526</u>
Other Government grants			
. Local authority grants	-	3,761,427	3,761,427
. Special educational projects	-	-	-
	<u>-</u>	<u>3,761,427</u>	<u>3,761,427</u>
Other income from the academy trust's educational operations	-	-	-
	<u>-</u>	<u>6,333,953</u>	<u>6,333,953</u>

4 Other Trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2018/2019 £
Hire of facilities	21,870	-	21,870
Catering Income	2,738	7,820	10,558
Other Income	157,278	208,631	365,909
	<u>181,886</u>	<u>216,451</u>	<u>398,337</u>

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2018/2019 £
Short term deposits	202	-	202
	<u>202</u>	<u>-</u>	<u>202</u>

Woodbridge Trust
Notes to the Financial Statements for the period ended 31 August
2019 (continued)

6 Expenditure

	Staff Costs	Non Pay Expenditure		Total
	£	Premises	Other	2018/2019
	£	£	£	£
Academy's educational operations:				
· Direct costs	5,239,201		201,929	5,441,130
· Allocated support costs	971,627	507,101	335,152	1,813,880
Teaching School	88,133	-	34,159	122,292
· Allocated support costs	-	-	-	-
	6,298,961	507,101	571,240	7,377,302

Net income/(expenditure) for the period includes:

	Total
	2018/2019
Operating lease rentals	14,844
Depreciation	14,523
Fees payable to auditor for:	
- audit	12,950
- other services	2,745

Woodbridge Trust
Notes to the Financial Statements for the period ended 31 August
2019 (continued)

7 Charitable Activities

	Total 2018/2019 £
Direct costs – educational operations	5,441,130
Support costs – educational operations	1,813,880
	<u>7,255,010</u>

Analysis of support costs	Educational operations £	Total 2018/2019 £
Support staff costs	971,627	971,627
Depreciation	14,523	14,523
Technology costs	83,046	83,046
Premises costs	507,101	507,101
Other support costs	195,671	195,671
Governance costs	41,912	41,912
Total support costs	<u>1,813,880</u>	<u>1,813,880</u>

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

8 Staff

a. Staff costs

Staff costs during the period were:

	Total 2018/2019
	£
Wages and salaries	4,566,577
Social security costs	400,857
Operating costs of defined benefit pension schemes	1,232,087
	<u>6,199,521</u>
Supply staff costs	99,440
	<u>6,298,961</u>

b. Staff numbers

The average number of persons employed by the academy during the period was as follows:

	2018/2019
	No.
Teachers	58
Administration and support	168
Management	3
	<u>229</u>

c Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2018/2019
	No.
£60,001 - £70,000	4
£70,001 - £80,000	1
£80,001 - £90,000	-
£90,001 - £100,000	1
	<hr/>

d Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £304,273.

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

9 Central Services

The academy trust has provided the following central services to its academies during the year:

- Governance
- Leadership Support
- Financial Management
- School improvement services
- Software
- Legal and professional fees

The academy trust charged for these services based upon time apportionment of each academy. The actual amounts charges during the period ended 31 August 2019 were as follows:

	Total 2018/2019
	£
Ladywood School, Teaching School and Outreach	226,268
Firwood High School	<u>130,062</u>
	356,330

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019

(continued)

10 Related Party Transactions - Trustees' Remuneration and Expenses

No trustees have been paid remuneration or have received other benefits from an employment with the academy trust.

Other related party transactions involving the trustees are set out in note 25

11 Trustees' and Officers' Insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustee and officers indemnity element from the overall cost of the RPA scheme.

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

12 Tangible Fixed Assets

	Leasehold Land and Buildings	Furniture and Fixtures	IT Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
Additions	-	26,012	4,123	-	30,135
Inherited assets	-	58,852	10,665	13,245	82,762
Disposals	-	-	-	-	-
At 31 August 2019	-	84,864	14,788	13,245	112,897
Depreciation					
Charged in year	-	9,137	2,962	2,424	14,523
Disposals	-	-	-	-	-
At 31 August 2019	-	9,137	2,962	2,424	14,523
Net book values					
At 31 August 2019	-	75,727	11,826	10,821	98,374

The value on conversion to academy of leasehold land and buildings is currently not reflected in the financial statements as we are still awaiting a formal lease agreement with the local authority. Once the lease is in place the Trustees will commission a desktop valuation in line with the financial handbook guidance. The valuation will be reflected in the 2019/2020 financial statements.

Woodbridge Trust
Notes to the Financial Statements for the period ended 31
August 2019 (continued)

13 Debtors

	2016
	£000
Trade debtors	104,807
VAT recoverable	102,393
Other debtors	-
Prepayments and accrued income	43,870
	<u>251,070</u>

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

14 Creditors: Amounts Falling due within one year

	31-Aug-19
	£
Trade creditors	164,400
Other taxation and social security	-
Other creditors	550,989
Accruals and deferred income	58,517
	<u>773,906</u>

Deferred income	31-Aug-19
	£
Resources deferred in the period	11,901

At the balance sheet date the academy trust was holding funds in advance for lettings booked for the autumn term 2019, in addition to UIFSM relating to 2019/2020

15 Creditors: Amounts Falling due after more than one year

	31-Aug-19
	£
Trade creditors	-
Other taxation and social security	-
Other creditors	24,640
Accruals and deferred income	-
	<u>24,640</u>

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

16 Funds

	Incoming resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2019
	£	£	£	£
Restricted general funds				
General Annual Grant (GAG)	2,415,150	(2,438,377)	-	(23,227)
Start Up Grant	50,000	(50,000)	-	-
Pupil Premium	72,159	(81,081)	-	(8,922)
Other DfE / ESFA Grants	45,924	(45,924)	-	-
Other income	4,138,831	(4,149,882)	43,200	32,149
Teaching School	46,000	(46,000)	-	-
	<u>6,768,064</u>	<u>(6,811,264)</u>	<u>43,200</u>	<u>-</u>
Restricted fixed asset funds				
Transfer on conversion	82,762	(14,523)	-	68,239
DfE/EFA capital grants	80,126	-	-	80,126
Capital expenditure from GAG	-	-	-	-
	<u>162,888</u>	<u>(14,523)</u>	<u>-</u>	<u>148,365</u>
Restricted Pension funds				
Pension reserve	(1,975,000)	(467,000)	(1,725,000)	(4,167,000)
	<u>(1,975,000)</u>	<u>(467,000)</u>	<u>(1,725,000)</u>	<u>(4,167,000)</u>
Total restricted funds	<u>4,955,952</u>	<u>(7,292,787)</u>	<u>(1,681,800)</u>	<u>(4,018,635)</u>
Total unrestricted funds	<u>392,431</u>	<u>(84,515)</u>	<u>(43,200)</u>	<u>264,716</u>
Total funds	<u>5,348,383</u>	<u>(7,377,302)</u>	<u>(1,725,000)</u>	<u>(3,753,919)</u>

The specific purposes for which the funds are to be applied are as follows:

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder / donor and include grants from the Education & Skills Funding Agency / Department for Education.

Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follow

	Total 2019
	£
Ladywood School, Teaching School and Outreach	204,398
Firwood High School	55,465
Central Services	4,853
Total before fixed assets and pension reserve	<u>264,716</u>
Restricted fixed asset fund	148,365
Pension reserve	<u>(4,167,000)</u>
Total	<u>(3,753,919)</u>

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total 2019
	£	£	£	£	£
Ladywood School, Teaching School and Outreach	2,796,898	507,416	123,015	181,084	3,608,413
Firwood High School	2,442,303	473,556	46,630	202,673	3,165,162
Central services	-	-	-	(88)	(88)
Academy Trust	<u>5,239,201</u>	<u>980,972</u>	<u>169,645</u>	<u>383,669</u>	<u>6,773,487</u>

Woodbridge Trust
Notes to the Financial Statements for the period ended 31 August 2019
(continued)

17 Analysis of Net Assets between Funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Pension Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£	£
Tangible fixed assets		-		98,374	98,374
Current assets	264,716	798,546		49,991	1,113,253
Current liabilities	-	(773,906)		-	(773,906)
Non-current liabilities	-	(24,640)		-	(24,640)
Pension scheme liability	-	-	(4,167,000)	-	(4,167,000)
Total net assets	264,716	(0)	(4,167,000)	148,365	(3,753,919)

18 Capital Commitments

	2019 £
Contracted for, but not provided in the financial statements	-

19 Commitments under operating leases

Operating Leases

At 31 August 2019 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2019 £
Amounts due within one year	17,113
Amounts due between one and five years	26,330
Amounts due after five years	-
	43,443

Woodbridge Trust
Notes to the Financial Statements for the period ended 31 August 2019
(continued)

20 Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities	2019
	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(2,028,919)
Adjusted for:	
Depreciation charges (note 12)	14,523
Capital grants from DfE and other capital income	(80,126)
Interest receivable (note 6)	(202)
Defined benefit pension scheme obligation inherited	410,000
Defined benefit pension scheme cost less contributions payable (note 23)	1,975,000
Defined benefit pension scheme finance cost (note 23)	57,000
(Increase)/decrease in debtors	(251,070)
Increase/(decrease) in creditors	798,546
Cash transferred on conversion to an academy trust	(221,792)
Inherited assets on conversion	(82,762)
Net cash provided by / (used in) Operating Activities	<u>590,198</u>

21 Cash Flows from Investing Activities	2019
	£
Dividends, interest and rents from investments	202
Proceeds from sale of tangible fixed assets	-
Purchase of tangible fixed assets	(30,135)
Capital grants from DfE/EFA	80,126
Net cash provided by / (used in) investing activities	<u>50,193</u>

22 Analysis cash and cash equivalents	At 31 August
	2019
	£
Cash in hand and at bank	862,183
Notice deposits (less than 3 months)	-
Total cash and cash equivalents	<u>862,183</u>

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

23 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding **£10** for the debts and liabilities contracted before he/she ceases to be a member.

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

24 Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tameside Metropolitan Borough Council. Both are multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 1 April 2019 and of the LGPS 31 March 2023.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million, giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year the employer contribution rate was 16% plus 0.08% levy. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £341,279

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

24 Pension and Similar Obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the period ended 31 August 2019 was £301,000, of which employer's contributions totalled £250,000 and employees' contributions totalled £51,000. The agreed contribution rates for future years are 20.8 per cent for employers and between 5.5 and 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions

At 31 August
2019

Rate of increase in salaries	3.10%
Rate of increase for pensions in payment/inflation	2.30%
Discount rate for scheme liabilities	1.90%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

At 31 August
2019

<i>Retiring today</i>	
Males	20.6
Females	23.1
<i>Retiring in 20 years</i>	
Males	22.0
Females	24.8

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

24 Pension and Similar Obligations (continued)

The academy's share of the assets in the scheme were:

	2019 £
Equities	4,853,000
Government bonds	1,071,000
Property	571,000
Cash and other liquid assets	642,000
Total market value of assets	<u>7,137,000</u>

The actual return on scheme assets was £140,000.

Amounts recognised in the statement of financial activities

	2019 £
Current service cost	(779,000)
Past service cost	(123,000)
Interest Income	172,000
Interest Cost	(229,000)
Total operating charge	<u>(959,000)</u>

Changes in the present value of defined benefit obligations were as follows:

	2019 £
At 1 October	-
Upon conversion	8,172,000
Current service cost	779,000
Past service cost	123,000
Interest cost	229,000
Employee contributions	136,000
Actuarial (gain)/loss	1,865,000
Benefits paid	-
Plan introductions, benefit changes, curtailments and settlements	-
At 31 August	<u>11,304,000</u>

Changes in the fair value of academy's share of scheme assets:

	2019 £
At 1 October	-
Upon conversion	6,197,000
Interest income	172,000
Return on plan assets (excluding net interest on the net defined pension liability)	140,000
Actuarial gain/(loss)	-
Employer contributions	492,000
Employee contributions	136,000
Benefits paid	-
Plan introductions, benefit changes, curtailments and settlements	-
At 31 August	<u>7,137,000</u>

Woodbridge Trust

Notes to the Financial Statements for the period ended 31 August 2019 (continued)

25 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Woodbridge College - a company in which H Scott (trustee of the trust) is a director

- The trust administered the strategic management of the College and all procurement for the College was sourced via the trust. For the period to the 31 August 2019 the total disbursements made to the College totalled £247,889, of which £83,592 was outstanding at 31 August 2019, which has now been paid.

Woodbridge Trust
Notes to the Financial Statements for the period ended 31
August 2019 (continued)

26 Teaching School trading account

	2018/2019
Income:	£
Direct Income	
Transfer from local authority on conversion	66,138
Other Income	108,045
Teaching School Grant	<u>46,000</u>
Total Income	<u>220,183</u>
Expenditure:	
Direct Costs	
Direct Staff costs	67,280
Other Costs	
Support Staff costs	20,853
Other Support costs	<u>34,159</u>
Total Other Costs	<u>55,012</u>
Total Expenditure	<u>(122,292)</u>
Teaching School balance at 31 August 2019	<u><u>97,891</u></u>

Woodbridge Trust Notes to the Financial Statements for the period ended 31 August 2019 (continued)

27 Conversion to an Academy Trust

On 1 October 2019 the Ladywood School and Firwood High School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Woodbridge Trust from the Bolton Council Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net incoming resources in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	£	£	£	£
Tangible fixed assets				
· Leasehold land and buildings	-	-		-
· Other tangible fixed assets	-	-	82,762	82,762
Budget surplus / (deficit) on LA funds	66,138	155,654	-	221,792
Budget surplus / (deficit) on other school funds	-	-	-	-
LGPS pension surplus / (deficit)	-	(1,975,000)	-	(1,975,000)
Borrowing obligations	-	-	-	-
Net [assets / liabilities]	66,138	(1,819,346)	82,762	(1,670,446)

28 Contingent Liability

Due to an ill health retirement in the period ended 31 August 2019, the Trust are aware of a capital liability payable to LGPS. At the date of this report the value of this capital commitment is unknown